

TAXES - FOREIGN COST-REIMBURSEMENT CONTRACT

[CT – 09/04] [FAR 52.229-8 – 03/90]

- (a) Any tax or duty from which the United States Government or JPL is exempt by agreement with the Government of _____, or from which the Subcontractor or any First-tier Subcontractor under this Subcontract is exempt under the laws of _____, shall not constitute an allowable cost under this Subcontract.
- (b) If the Subcontractor or First-tier Subcontractor under this Subcontract obtains a foreign tax credit that reduces its Federal income tax liability under the United States Internal Revenue Code (Title 26, U.S. Code) because of the payment of any tax or duty that was reimbursed under this Subcontract, the amount of the reduction shall be paid or credited at the time of such offset to the Government of the United States as the JPL Subcontracts Manager directs.